



Special Town Council Meeting

March 27th, 2020

11:00 a.m.

Via Conference Call

Agenda

Call to Order

- 1. Approval of Agenda**
- 2. Approval of Minutes**
 - a. Town Council Meeting, March 17, 2020
- 3. Comments from the Mayor**
- 4. New Business**
 - a. Overview of Operational Changes (verbal report)
 - b. RFD 017-2020: Payment Relief Measures
 - c. RFD 018-2020: Council Stipends
- 5. Correspondence:**
 - a. MPS Wolfville Lounge Hours, Parking - Joe Rafih
 - b. People Spitting on their Hands while Serving Public – Sarah
 - c. Property Tax Victoria Inn – Jignesh Patel
 - d. Tiny Homes- Are they in the By-laws? – Jill Ellis
 - e. Letter to Town of Wolfville – Small Business Owners Relief – Troy Restaurant
- 6. Regular Meeting Adjourned**

REQUEST FOR DECISION 017-2020

Title: Customer Payment Relief Measures

Date: 2020-03-27

Department: Finance



SUMMARY

Customer Relief Payment Measures

As all members of Council are aware, as is the rest of our community, the COVID pandemic is not only a worldwide health emergency but is also a significantly impactful economic crisis. Although Nova Scotia was one of the last provinces to have its first positive COVID case identified, in the last two weeks the province has essentially shut down as everyone attempts to rally behind the Provincial requests and mandates.

Everyone is impacted, or will be impacted, by the economic slowdown. All levels of government are being asked to provide relief to citizens and businesses alike. This report deals with first steps in what the Town of Wolfville can do to ease some of the financial burden. Council and senior management will continue to work on ways to provide relief, to the extent that a municipal government is able to.

The information and recommendation in this report is consistent with the Town's press release dated March 18th in relation to upcoming Water/Sewer bills and Property Tax bills a little over a month away. This report and recommendation should not be viewed as the only steps being taken, simply some of the first steps, and specifically the ones that require Council decision in order for staff to act.

The ongoing challenge for Council is to ensure essential services are maintained, while at the same time considering financial impact of any billings to residents or businesses.

DRAFT MOTION:

That Council authorize staff to modify previously approved billing and collection practices as follows:

- That no arrears interest will be added to property tax customer accounts, effective March 31, 2020 and that this revised practice stay in place until such time as Council authorizes the return to due/dates and interest charges approved in the 2020/21 Budget motion.
- That no arrears interest will be added to water/sewer accounts, effective March 31, 2020 and this revised practice stay in place until such time as Council authorizes the return to payment regulations noted in the NSUARB approved Rates and Regulations for the Town of Wolfville Water Utility.
- That the Town will not disconnect water accounts in arrears.

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1) CAO COMMENTS

The CAO supports the recommendations of staff.

Staff are currently identifying areas of the municipal operation that can be scaled back or put on hold during the COVID-19 crisis and will be implementing these reductions accordingly. These measures will be communicated to Council for direction throughout the coming months, unless Council provides explicit direction to the CAO to maintain “business as usual”. While the community may notice some of these reductions in service level, these temporary measures will be made with the view of enabling cost reductions, which can contribute to a downward adjustment of the tax rate later in the year.

2) LEGISLATIVE AUTHORITY

Municipal Government Act Section 65

3) STAFF RECOMMENDATION

Staff recommend Council approve the draft motion as presented, and further, support the additional steps noted in this RFD that are intricately linked to the motion itself.

4) REFERENCES AND ATTACHMENTS

1. 2020/21 Operations Plan and Budget
2. Motion from March 17, 2020 Council approving budget and motion from March 2019 approving 2019/20 budget
3. NS Utility and Review Board approved Rates and Regulations for Wolfville Water Utility
4. March 18, 2020 Press Release (posted on Town’s social Media as well)

5) DISCUSSION

Nova Scotia residents and businesses alike face a significant financial strain in the coming months. Council has already received correspondence requested financial relief and staff have received calls with the same requests. The COVID pandemic is a worldwide health emergency, and the required steps to battle the pandemic have created a very real economic crisis.

As noted in the March 18th press release, *Senior Management will review options with Council that may include extending due dates, waiving interest on arrears for a period of time, and possible temporary reduction in interim tax bills (eg. 25%) as the Town and community begin to experience the economic impact of the COVID health protocols required by the province.* Since that date, several municipalities have taken steps to identify financial relief for their residents and businesses.

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This RFD deals with first steps that Wolfville Council can take to provide relief. Key in any of the discussion at the municipal level is the financial health/capacity of a municipal to provide relief and what types of relief are appropriate for a municipality to provide.

Currently the Town is in a timeframe where water bills and tax bills are not due, i.e. the last Water/Sewer bill was in December and due at end of January and the last tax bill was last August due the end of September. This has provided time to develop this RFD and thoughts for future work in developing a financial plan for Council's consideration.

Two items require immediate direction as they will impact financial procedures that would typically be taken in early April, i.e. adding arrears interest to outstanding Accounts Receivable. This applies to both Water/Sewer and Property taxes, but not for any current bills. Any amounts at this stage still in arrears would have been months if not years in arrears.

Interest applied to property tax bills is a function of Council's motion each year approving the budget. As such a motion of Council is needed to allow staff to **not** add monthly arrears interest charges. Outside of the economic reality in the province currently, relevant information for Council to consider whether to waive (for the time being) interest charges includes:

- The 2020/21 Operating Budget includes revenue from Interest on Outstanding Taxes in the amount of \$72,000. If interest penalties were waived for 12 months, that value represents and estimate revenue loss in that portion of the budget.
- Interest charges tend to be highest at the end of May and September, i.e. right after due dates of interim and final tax bills.
- The total 1st quarter revenue is typically around \$18,000
- Interim Tax Bills are due to go out at the end of April

Interest applied to water/sewer bills is a function of regulations approved by the NS Utility and Review Board (NSUARB), and technically are not within Council's discretion to change with out going back to the Board. In this instance, Staff have not yet received Board approval to waive the charges, but in the interim requesting Council to pass a motion to indicate approval. Factors to consider include:

- The 2020/21 Water Operating Budget includes revenue of \$1,800
- Quarterly Water/Sewer bills for March 31st will be mailed by the first week of April.
- Possible lost revenue in 1st quarter with no interest applied to accounts would be around \$400.

Clearly removing interest charges on water/sewer bills will have minimal impact on the Utilities overall bottom line. The impact to the Town's budget for tax arrears is more significant. Staff could approach Council once a month to approve waiving of the fees, however that would seem to put a process in place at a time when limited staff resources are focused on dealing with the day to day financial

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requirements of the Town. It is being recommended to pass a motion that indefinitely waives the requirement for arrears interest and that the situation would be revisited once there are signs that an economic recovery is underway. That, in all likelihood, is months away at best.

Waiving interest does, for both sets of bills, provide actual dollar relief to people. It's an amount they won't have to pay.

Another area noted in the March 18th press release, and one which a few other municipalities have adopted, is the extension of the period of time before bills are due. Some have gone from 30 days to 60 days while other have gone longer.

In Staff's opinion, no change should be made to due dates. Factored into this position is the following:

- Assuming Council approves waiving future interest charges for a period of time, then effectively there is no penalty for missing the standard 30 day due date.
- With no penalty for late payment, interest or water disconnect, then the due date is rendered ineffective from a collection standpoint.
- Extending due may give the impression that the amounts billed don't need to be paid.
- Municipalities are no different than households or businesses in that a certain cash flow is needed to cover expenses. The Town will still need cash flow in the coming months to provide at least essential services.

The other item noted in the March 18th press release was around the amount of the interim property tax bill. Typically Wolfville bills an amount that is meant to approximate 50% of the total tax bill for the year. Some municipalities bill 55% and some have no interim bill (although this practice is rare these days). The key around the interim bill is it can be for any amount, as it is the Final Tax Bill issued in late August (in Wolfville) that sets the total tax requirement for a property. Staff will be reviewing cash flow requirements for the coming months, as well as impact of any cost cutting measures likely to be taken in coming months to see what level of interim bill will allow the town to provide essential services through to the summer months. It is anticipated that Staff may come back to Council in June/July with recommendations around ability to drop the tax rates for the year, resulting in lower Final Bills issued by September.

With regard to Tax Sale Process, no change is currently being recommended. Properties are not put into the Tax Sale Process until their arrears are two years or older. As such, arrears that develop due to the COVID situation will not hit arrears status for at least a year (likely two years).

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- If a property is currently on years in arrears at March 31st, then it will be a year before they would fall behind two years.
- If a property has already been notified of potential tax sale, their account has been in arrears for at least two years before the COVID crisis. Additional efforts will go into developing a payment plan for these accounts, but for the time being tax sale should still be an option.

One final area to touch on, that is not recommended for change **yet** is Low Income Tax Exemption. This will be an item that staff will likely recommend some amendment before final tax bills are issued in late August. There is time to make the decision around this, and any change in low income exemption should take into account any other tax reductions that may be approved for the final tax billing. This is an important area, but no decision required today.

6) FINANCIAL IMPLICATIONS

Direct financial implications are noted in the discussion above as it relates to lost revenues.

Not covered at this time, but to be reviewed in coming months is the impact that slower cash receipts will have on the town's overall operation. Assuming payments come in slower, the Town will have lower cash balances in the bank which will mean interest on investments will drop in addition to the interest on arrears.

7) REFERENCES TO COUNCIL STRATEGIC PLAN AND TOWN REPORTS

Nothing specific provided at this time.

8) COMMUNICATION REQUIREMENTS

Clearly communication to the public and business community is key. Beyond the specifics of dollar relief being provided, Staff believe there is an important need to include communication around the importance of paying what you can as early as one can. Simply allowing these amounts to go unpaid for an extended period of time, will create financial hurdles for people once the economy returns to normal, i.e. the amounts will still be owed, but could be thousands of dollars if ignored. So we should encourage those that are able to pay, to please do so. For those unable to pay in the next few months, staff will have to work at helping individuals to develop payment plans (financial planning to some extent).

9) ALTERNATIVES

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Title: Customer Payment Relief Measures

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Council could leave interest charges in place. Given the current crisis being faced by the community this does not seem reasonable.

REQUEST FOR DECISION 018-2020

Title: Council Stipends

Date: 2020-03-27

Department: Finance



SUMMARY

2020/21 Council Stipends

Council approved the 2020/21 Operations Plan and Budget at the March 17th Council meeting. Included in that were remuneration increases for staff (salaries and wages) and stipends (Council). The increases were in accordance with Town Policy.

With the impact of the COVID pandemic and resulting economic downtown, Council and Senior Management have been working on steps needed, some of which require motions of council to approve and some of which can occur through the direction of the CAO.

This RFD deals with Council stipends and previous budget approval, based on exiting Town Policy.

DRAFT MOTION:

That Council approve leaving councillor stipends for the upcoming 2020/21 fiscal year at the level paid during fiscal 2019.

REQUEST FOR DECISION 018-2020

Title: Council Stipends

Date: 2020-03-27

Department: Finance



1) CAO COMMENTS

The CAO supports the recommendation of staff. The CAO will work with senior staff on a continual basis moving forward to ensure appropriate decisions are in all areas of the previously approved 2020/21 operations Plan.

2) LEGISLATIVE AUTHORITY

- MGA Section 65 – Adoption of Budget
- Town Policy 110-005 – Council Remuneration

3) STAFF RECOMMENDATION

That Council approve the freezing of stipends at the 2019/20 level.

4) REFERENCES AND ATTACHMENTS

1. 2020/21 Operations Plan and Budget
2. Policy 110-005

5) DISCUSSION

In light of the COVID impact on the economy, Senior Management has been working to identify area where costs can be reduced for the upcoming fiscal year. One of the areas identified was around level of remuneration for staff and Council.

Given the magnitude of the economic impact of COVID (eg. approximately 1 million people applied for EI benefits in the last week), and possible requirement for the Town to reduce the size of its operation for the coming year, previously planned COLA and merit increases will not occur for staff. Pay levels will be left at the 2019/20 rates, except for the union workers who fall under a Collective Agreement. Town Policy allows the CAO to adjust pay increases due to budget considerations.

Staff are recommending Council consider the same measure. Town Policy 110-005, section 5.2 requires an increase to council remuneration equal to change in CPI (COLA). A motion of Council is required to direct staff to not implement that increase.

6) FINANCIAL IMPLICATIONS

The 2020/21 budget expense would be reduced by approximately \$2,600 in total if COLA not implemented. Although this is not a material change to the Town's overall \$11 million budget, it is consistent with the steps to be taken around non union staff.

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Title: Council Stipends

Date: 2020-03-27

Department: Finance



7) REFERENCES TO COUNCIL STRATEGIC PLAN AND TOWN REPORTS

Nothing provided at this time

8) COMMUNICATION REQUIREMENTS

An overall communications package will be developed for the community. Staff are looking at a dedicated section of the Town's website to inform the public regarding financial steps being taken by Council.

9) ALTERNATIVES

Allow stipend adjustments to occur as per Policy.

Amanda Brown

Subject: RE: MPS, Wolfville Lounge Hours, Wolfville Parking Fee. Please forward to Mayor and Council

From: youseff rafih

Sent: March-11-20 5:58 PM

To: Towncouncil@wolville.ca

Subject: Re: MPS, Wolfville Lounge Hours, Wolfville Parking Fee. Please forward to Mayor and Council

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

With all due respect and appreciation for all the hard work that Mayor, Council, Town Staff, and the Town Committees have done on this document, it's a great step forward. Reading this document on parking, I believe \$8,000 for a parking space is extreme, we use to have \$2,000 a space, and I believe the reason it was removed at that time it was too expensive and anti-development. At present we mean most business in town have no parking of their own, and this town is the envy of most. I believe some towns in Nova Scotia are removing their parking cost. Please reconsider a more reasonable number.

Also, if you may look or revisit lounge hours for a few special occasions such as Homecoming, which I believe would be much appreciated by our tourist and Acadia alumni as they return home to Wolfville to a home that they love! and their night gets cut short by our by-law! Please give this some consideration.. also

Apple blossom.
St Paddy's
New Year's Eve
and maybe a way to get a special event permit.

Best regards
Joe Rafih
Anvil Beverage-Room 1991 Ltd

Amanda Brown

Subject: RE: people spitting on their finger when serving public

From: S D

Sent: March 12, 2020 11:36 PM

To: Town Council <towncouncil@wolfville.ca>

Subject: people spitting on their finger when serving public

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Towncouncil@wolfville.ca

Message to those in municipal government of Wolfville

Dear Wolfville People,

With Wolfville being such a major hub of activity and business, with folks coming and going from all around, it seems worth asking you if something might be done about a habit I have unfortunately observed when being served in stores - not only in Wolfville, but also New Minas and Kentville too - and I imagine this goes on anywhere. This is to do with cashiers and others (even nurses!) who put their finger into their mouth to coat it with their saliva and then touch a bag, or item that we are purchasing.. - Not only is this hazardous to the health of the customer, especially at this time, in the midst of the pandemic, but it could be harmful also to the employee doing it.. - Right? - Am aware that many municipalities have by-laws forbidding spitting - and surely this basically amounts to that..!? - Would there be any such by-law actually, that forbids this practice? - and if not, do you think there should be? - I do.. - and I imagine most people especially now, might like to see that this is stopped..? - Perhaps measures have already been taken to heighten awareness about this in the community, at this difficult time..?

- Thank you very much for your attention to this issue, and all help..!!

- Sarah

Amanda Brown

Subject: RE: About the property tax Victoria historic inn

On Mar 24, 2020, at 4:48 PM, Jignesh Patel < > wrote:

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello

There

This is jignesh here from Victoria historic inn . As par current situation covid-19 our motel is temporary closed . So I am looking to get payment relief for my property tax. Currently my bank charge me property tax and they pay to town of Wolfville. So they want confirmation from the town about the property tax is waived or postponed for certain time period. So can you please help me with this .

Thank you

Amanda Brown

Subject: RE: Tiny Homes - are they in the by-laws?

From: Jill Ellis **Sent:** March 24, 2020 2:58 PM

To: Town Council <towncouncil@wolfville.ca>

Subject: Tiny Homes - are they in the by-laws?

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello,

I would like to know if Wolfville has any by-laws regarding "Tiny Homes."

I am just starting the process of working with a designer and builder to discuss and design my forever home.

Having rented all my life, I now feel a need to down size and take on home ownership with a small footprint on the ground.

I intend to build (have built) a Tiny Home that fits within the community, or tiny home community, utilizing best practices in sustainability, green technology, solar power, etc, etc.

I am looking to Wolfville as my new place. I attended Acadia University many moons ago and would love to return. I still have family and many Acadia friends in the area.

If you could provide me with ant information regarding Tiny Homes/Community I would love to hear from you.

You can reply via email, text or phone.

Thanking you in advance,

Jill R Ellis

Sent from my iPad

Troy Restaurant
12D Elm Ave,
Wolfville, NS

Wednesday, March 25, 2020

Dear Mayor and Town Councillors,

I am writing to you as an owner of a small business in Wolfville: Troy Restaurant.

The reality is dawning that the Covid-19 crisis will not simply blow over in a matter of weeks but will last for many months. If social distancing measures are to be sustained throughout the spring and summer as most major news outlets and publications currently predict, it will crush our business and many others. We have already lost tens of thousands of dollars in lost revenue due to this crisis. Our entire workforce has been laid off with no visible end in sight.

I implore you to take immediate action and offer significant relief to local businesses, many of whom currently find themselves deep in the red, Troy included. Our rent payments are now our largest expense. Troy's commercial lease costs us over 5000\$ per month after HST. This is not an expense that can be sustained while we are receiving 0\$ in revenue.

We are in the process of putting together a proposal to our landlord involving rent abatements and deferrals to help us navigate this incredibly difficult period. ***I am asking that you also help small businesses via commercial property tax relief that our landlords can then pass on to us*** (or for those businesses who own their property, will help them directly)

My hope is that commercial landlords who have good tenants they want to keep will do whatever is necessary to keep them, including shouldering some of the temporary losses from reduced rental income.

Town council can further help alleviate the blow through a drastic ***temporary reduction in commercial property taxes***, as long as the Town of Wolfville ensures that these savings are directly passed on to commercial tenants, via ***rent abatements (not just deferrals)***, during the months to come. (Compliance could be ensured simply, via a signed sworn statement by the commercial tenant outlining the amount of rent that the landlord is forgiving).

These savings should be used to alleviate the cost of rent for business who are renting, and to also help businesses who own their property, but who will experience the ravaging effects of having to be shut down or operate on a very limited basis due to social distancing measures. Please consider the harsh probability that much more than 25% relief will be needed. I urge you to consider up to a 100% relief to the interim commercial tax bill.

Everybody needs to shoulder some of the hit, if small local business in Wolfville are not to shut their doors en masse. Commercial renters are particularly vulnerable right now. The restaurant

sector is extremely challenging and difficult to make a sustained profit, during the best of times, which is why the majority of restaurants, and **especially those restaurants who do not own their property**, end up closing.

Some businesses will clearly be impacted more than others. Do not think that spending on take-out and delivery will replace consumer spending that happens in restaurants and that every restaurant can easily adapt to this “take-out only” model. I am also afraid that “positive media stories” on businesses desperately trying to adapt and survive may only serve to cloud the actual catastrophe which we currently find ourselves in. Please also take into consideration that the fallout from this critical period will result in a drastic reduction in tourism and discretionary spending, which our business relies so much on.

I applaud your willingness to ease the pain by giving temporary relief through property taxes (March 18th Notice). I also think that commercial real estate will be hit much harder than residential real estate. Look at it this way: people are still living in their houses right now. Businesses are all shut down and cannot operate. **Many small business owners also live in Wolfville and are doubly hit by this: We have lost all income AND have to keep spending to keep our businesses afloat.**

I am coming from the perspective of a restaurant owner but I am very aware that many other businesses will suffer (small retail stores, barbershops, cafes, spas, etc.) Never in our lifetimes has something like this happened. **Small, gradual steps to provide relief will not be enough** to stop many businesses from closing for good. Also, is it fair to charge ANY tax on a property whose business cannot operate?

Thank you for your attention. I have included my contact information if you would like to reach me in order to discuss these ideas further. I really hope that you do.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Franck". The signature is fluid and cursive, with a long horizontal stroke at the end.

Daniel Franck
Co-owner, Troy

cell: 514-887-2313
admin@troyrestaurant.ca